

EXHIBIT SS

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

Case No. 08-CR-60322-COHN/HUNT

THE UNITED STATES OF AMERICA,

Plaintiff,

vs

FORT LAUDEDALE, FLORIDA
DECEMBER 16, 2013

RAOUL WEIL,

Defendant.

TRANSCRIPT OF INITIAL APPEARANCE & BOND HEARING
BEFORE THE HONORABLE PATRICK M. HUNT,
UNITED STATES DISTRICT COURT JUDGE

APPEARANCES:

FOR THE GOVERNMENT:

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1 (Call to order of the Court)

2 THE COURT: All right.

3 THE CLERK: U.S.A. versus Raoul Weil, case number
4 08-60322-Criminal-Cohn.

5 THE COURT: Okay. Can we have appearances of counsel,
6 please.

7 MR. DALY: Good morning, Your Honor. Mark Daly from
8 the Tax Division of the U.S. Department of Justice. Here with
9 me is AUSA Rick Murad from the United States Attorney's Office.

10 THE COURT: Good morning.

11 MR. MANDEL: Good morning, Judge. David Mandel on
12 behalf of the defendant.

13 Your Honor, also I have Aaron Marcu and Kimberly
14 Zelnick from Freshfields in New York. They would be
15 proceeding, if the court would allow, pro hac vice.

16 THE COURT: Sure. As long as you are here as local
17 counsel, that motion will be granted. Good morning.

18 MR. MARCU: Yes, sir.

19 THE COURT: That motion will be granted. Good
20 morning. And Mr. Weil?

21 THE DEFENDANT: Yes.

22 THE COURT: This is you. Okay. You are here.
23 Mr. Weil, you are here for an initial appearances on an
24 indictment. And is this unsealed, Mr. Daly?

25 MR. DALY: Yes, it is, Your Honor.

1 THE COURT: All right. You are here on one count. Is
2 it a one count indictment?

3 MR. DALY: That's correct, Your Honor. 371.

4 THE COURT: Charging you with conspiracy to I guess is
5 it to defraud the United States or to steal from the United
6 States?

7 MR. DALY: Your Honor, it is a 371 conspiracy to
8 defraud the United States out of income taxes.

9 THE COURT: Okay. Mr. Weil, this is a 371 conspiracy.
10 That's the statute name. It is a conspiracy which means an
11 agreement to commit a crime.

12 The crime that they are alleging is a conspiracy to
13 defraud the United States out of tax money. It is a fairly
14 long indictment that hopefully you have had a chance to read.

15 What you have a right to here today are several
16 things.

17 First, you have a right to an attorney to represent
18 you. And is it Marcu? Marcel?

19 MR. MARCU: Marcu.

20 THE COURT. Mr. Marcu?

21 MR. MARCU: Yes, Your Honor.

22 THE COURT: These are all temporary appearances for
23 now?

24 MR. MARCU: Yes, Your Honor.

25 THE COURT: All right. Mr. Weil, you have attorneys

1 here representing you on a temporary basis.

2 Before we can allow you to go forward with the
3 arraignment, which is a significant step in the process, we
4 need someone to be in on a permanent basis.

5 You do have a right to a lawyer at every stage of the
6 proceedings. So if at any stage you felt like you did not have
7 enough money to hire someone to represent you, I could take
8 testimony from you to see if you qualify for court appointed
9 counsel, but since you have counsel here today, we can go
10 forward with what we are going to do today, and we set a date
11 for inquiry re: counsel where you will come back and tell me or
12 another judge whether you have made arrangements to hire a
13 lawyer.

14 You have a right to a reasonable bond. What is the
15 government's bond recommendation?

16 MR. DALY: Your Honor, at this point the government
17 and the defense have been in negotiations.

18 The defense will actually make a presentation. The
19 government believes that there may be circumstances under which
20 he could be released.

21 The government has made a number of different
22 proposals. One would be based on the defendant's assets; a
23 corporate surety bond in the amount of \$9,000,000, or in the
24 alternative that the defendant posts sufficient cash with the
25 court in an amount roughly equivalent to that.

1 THE COURT: Well, is there an agreement between the
2 parties, or are you proposing that we have bond hearing this
3 morning?

4 MR. DALY: Your Honor, we propose that we have a bond
5 hearing. There isn't an agreement, and also it cannot be
6 immediately perfected because most of the defendant's assets
7 are offshore at this point.

8 THE COURT: Okay. And is he pursuant to extradition,
9 or was this a voluntary return to the country?

10 MR. DALY: Your Honor, he was extradited. He was
11 arrested in Italy in October. He sought home detention there.
12 Home detention was denied, and he agreed to extradition and was
13 flown into Miami on Friday.

14 THE COURT: Okay. All right. Mr. Weil, I had told
15 you about counsel.

16 The attorney for the government is indicating that
17 there is I guess close to a resolution on an agreed bond. If
18 there is an agreed bond, I normally would approve it.

19 If it is not an agreed bond, then we will just go
20 forward with the hearing. And if your attorney is able to
21 satisfy me that the bond that is being suggested will be enough
22 to secure your appearance then, you know, I would set that or I
23 would set some other bond, or if I thought that there were no
24 conditions that would assure your appearance I could set
25 pretrial detention, but that's not being requested by anybody

1 at this point.

2 You also, if there were not an indictment, you would
3 have a right to a probable cause hearing, but because there is
4 an indictment, that means a grand jury has already found
5 probable cause to believe you committed the crime, and so we
6 would schedule an arraignment.

7 So let's do that now. Mr. Marcu, when do you think
8 you would be ready for making permanent arrangements so that we
9 could go forward with an arraignment?

10 MR. MARCU: It may take another week or so, Your
11 Honor, to make permanent arrangements, but I can represent to
12 the court that I have represented Mr. Weil for 5 years, and I
13 believe that he is fully advised as to the consequences of
14 entering a plea today, and I think he is prepared to do so if
15 the court would be prepared to accept it.

16 THE COURT: We are not, only because it is sort of a
17 rule of thumb more than a firm policy here in Fort Lauderdale,
18 but generally we don't allow anybody to go forward with an
19 arraignment until there is permanent arrangements made.

20 That's to make sure nothing falls through the cracks.
21 So we want to make sure before we start, you know, the clock
22 ticking, that he has permanent counsel.

23 So if you need a week to make arrangements, we can put
24 off the arraignment for a week and set it also for inquiry re:
25 counsel.

1 Does the government have any objection to that?

2 MR. DALY: No, Your Honor.

3 THE COURT: Okay.

4 MR. MARCU: Your Honor, given the holidays, is it
5 possible to schedule it for the early part of next year, or is
6 that too long for you?

7 THE COURT: It does not bother me, and it in part
8 depends on whether he gets out, but if it is what you are
9 requesting, if he is not released, he would have to sign a
10 waiver I think to get us to the end of the year, or no?
11 Debbie?

12 THE CLERK: No, Judge. It is already indicted.

13 THE COURT: Okay. That's right.

14 MR. MARCU: I am happy, Your Honor, if we hold the
15 decision on that until after we conclude the bail hearing, and
16 it may be that we will know whether he will be --

17 THE COURT: Well, okay. Well, actually, Debbie is
18 right. The time does not does kick in when there is no
19 indictment. So it would just be, you know, if you want to have
20 the arraignment after the first of the year, that's fine.

21 Do you want to pick a date?

22 MR. MARCU: Let's say the Tuesday, the first week of
23 January.

24 THE CLERK: January 8th.

25 MR. MARCU: The 7th or the 8th. Okay.

1 THE COURT: All right. So January 8th; is that right?

2 THE CLERK: Tuesday is January 8th. That will be at
3 11:00 a.m. before Judge Snow.

4 THE COURT: All right. Tuesday, January 8th at 11:00
5 o'clock before Judge Snow, and on that date we are going to set
6 it for arraignment and inquiry re: counsel.

7 Hopefully you will have had time to make permanent
8 arrangements, Mr. Weil. At that point you will go forward with
9 the arraignment and that will set some time limits starting,
10 and so that's why we don't want to go forward without permanent
11 counsel. So let's get back to bond.

12 Mr. Daly, why don't you explain this to me.

13 MR. DALY: Certainly, Your Honor. Looking through
14 this, we will just go quickly through the factors; the first
15 being the nature and the circumstances of the offense.

16 This is a conspiracy to defraud the United States. If
17 you will, Your Honor, it is a pyramid conspiracy involving the
18 executives, managers, bankers at UBS and the customers.

19 Mr. Weil stands at the very top of that pyramid as a
20 man who oversaw the private bank at UBS.

21 The weight of the evidence is substantially in favor
22 of the government. UBS in 2009 entered into a deferred
23 prosecution agreement in which it admitted that its employees
24 and managers had conspired to defraud the United States in
25 excess of \$200,000,000 of tax money.

1 They paid in \$780,000,000 to resolve those charges.

2 Since that time two separate banners who worked for UBS have
3 pled guilty in which they, too, admitted that they participated
4 in such a conspiracy. That would be Renzo Gadola here in the
5 Southern District of Florida and Christos Bagios.

6 A third banker, Martin Lack has been arraigned here,
7 and there is a trial date set to February. He would be another
8 conspirator.

9 Furthermore, the government's evidence at trial would
10 be substantially that which was used to that caused UBS to
11 enter into the deferred prosecution agreement. The same
12 witnesses will be available.

13 Going into the history and characteristics of the
14 defendant, family ties to the United States are none.

15 Mr. Weil and his wife reside in Switzerland. They
16 have no direct family here in the United States, that at least
17 appears in the Pretrial Services report.

18 As to employment, Mr. Weil was working with the Royce
19 Group. I probably butchered that pronunciation. However, news
20 reports indicates that he has been placed on leave since he is
21 unavailable to work for them.

22 As to financial resources, Mr. Weil's financial
23 resources are vast. He has provided Pretrial Services and the
24 government with a financial statement that lists assets, that
25 when converted to U.S. dollars, exceed 11.2 million dollars.

1 Of that approximately 9.7 is liquid, either in the
2 form of cash or securities.

3 Length of residence in the community is zero.
4 Community ties, there are none. Mr. Weil owned an apartment in
5 New, York but it is my understanding that in the very recent
6 past he sold that and liquidated those resources.

7 Moving down to the record regarding appearances in
8 court, Mr. Weil was indicted in 2008. An arrest warrant was
9 issued. He did not appear.

10 In fact, once the investigation of UBS began and
11 became known, Mr. Weil stopped traveling to the United States,
12 although he had done so in the past.

13 He was denied bail in Italy because he was viewed as a
14 flight risk there. He is a Swiss national. Switzerland does
15 not extradite its nationals to the United States.

16 So if he were to flee, the government would be without
17 recourse as to obtain his return.

18 Mr. Weil, as a senior executive at UBS, was extremely
19 accustomed to foreign travel, traveling throughout the world.

20 I believe at that time he held two passports. The
21 defense has now represented that he now holds one. That
22 passport is not here in the United States.

23 It is our understanding it is either with counsel in
24 Italy or is on route here to the United States.

25 He also owns substantial real property in Switzerland.

1 Even if he were to flee there is at least or there appears to
2 be approximately 1.45 to two million in assets should he
3 return.

4 So even if the defendant were to post all of his
5 liquid assets, he would still have substantial resources.

6 Because that money is not here in the United States at
7 present, he has a great capacity o flee should he choose so.

8 Now, the government has taken a position that they
9 will not move for pretrial detention because there are some
10 conditions that probably could insure, but the government is
11 seeking a corporate surety in the amount of \$9,000,000 for a
12 substantially similar amount in cash posted with the court.

13 The defense has offered to provide a letter of credit.
14 We contacted the Clerk's Office this morning and they indicated
15 they would not accept that as a form of bond.

16 I just represent that to Your Honor as one form that
17 that they have offered to post.

18 THE COURT: All right. So the government is no longer
19 requesting pretrial detention, even though did he fight
20 extradition?

21 MR. MARCU: No, Your Honor. He agreed to be
22 extradited without contesting.

23 THE COURT: Okay.

24 MR. MARCU: And he also I should say waived
25 extradition from Switzerland as well in writing, so that if he

1 returns to Switzerland for any reason, he would not be able to
2 take advantage of any Swiss legal protection that would prevent
3 extradition.

4 THE COURT: Is that law enforceable in Switzerland?

5 MR. MARCU: Yes, Your Honor.

6 MR. DALY: That is an open question, Your Honor.

7 There are very few nationals who are ever extradited from
8 Switzerland.

9 The government highly doubts that that is enforceable.
10 Mr. Weil can contest that he was forced to sign it under
11 duress, and it is likely not enforceable.

12 THE COURT: All right. But do you agree that he
13 waived extradition from Italy? What? He was arrested in
14 Italy?

15 MR. DALY: He was arrested in October. He repeatedly
16 sought home detention, taking numerous appeals to the Italian
17 Court of Appeals.

18 After he was rejected numerous times, then he agreed
19 to extradition. I know the defense has countered that it was
20 only once he was able to consult with U.S. counsel that he did
21 it, but he was there for over a month and a half, or at least a
22 month before he consented.

23 THE COURT: What is his exposure?

24 MR. DALY: His exposure, UBS has agreed that the tax
25 loss was approximately 200,000,000. The count for Mr. Weil, it

1 is a 5 year maximum. His sentencing guidelines, quite frankly,
2 are in the range of 240 months, even though he is capped at 60.

3 THE COURT: And you indicated that two other bankers
4 are here and have pled guilty already.

5 What exactly was Mr. Weil's position within the bank?

6 MR. DALY: So Mr. Weil was the head of the private
7 bank throughout the world. So he oversaw all of their private
8 banking world-wide.

9 So below him would be managers of the U.S.
10 cross-border business. So below them would be the U.S.
11 cross-border business was divided into 3 groups; geographically
12 one in Zurich, one in Geneva and one in Laganow, and then there
13 were approximately 60 private bankers below that and then
14 20,000 U.S. clients. So he stands at the very apex of that
15 pyramid.

16 THE COURT: And what is the status of the two others?
17 Did they get bond? Have they pled?

18 MR. DALY: They both pled and were sentenced to time
19 served. They are, as terms of their probation they are
20 required to cooperate with the United States in any ongoing
21 investigations, and the third Martin Lack has a trial date
22 before Judge Dimitrouleas in February.

23 THE COURT: Okay. And do you believe that a
24 \$9,000,000 corporate surety bond would be sufficient to compel
25 his appearance?

1 MR. DALY: The government believes that that likely
2 would. That's probably the best form of security that we can
3 get that would insure that he appears.

4 THE COURT: And have you discussed alternatives with
5 defense counsel, alternatives to a \$9,000,000 corporate surety
6 bond?

7 MR. DALY: We have discussed alternatives. The
8 defense has presented that there is difficulties because much
9 of their assets are in securities which would have to be
10 liquidated, and so they are reluctant to do so.

11 THE COURT: Well, let me hear from the defense.

12 MR. MARCU: Thank you, Your Honor. If I could, I will
13 take issue with some of what Mr. Daly has told you, but rather
14 than enter into a debate, if I can just first give you a little
15 background.

16 Mr. Weil worked at UBS and a predecessor bank for 25
17 years. He rose from being a bit of a technocrat who handled
18 the establishment of processes and offices and demonstrated
19 through his organizational skills that he could run a bigger
20 organization.

21 He was never a client, a person that never had
22 clients, never sold services of the bank. He was a manager,
23 and ultimately he became in 2008 the CEO of UBS' wealth
24 management and business banking division, which is the largest
25 division of UBS.

1 So he was the third highest ranking executive of the
2 entire bank. At the time he was at the apex of the wealth
3 management and private bank division, but that was not just the
4 U.S. cross-border business; that is, U.S. persons who were
5 banking with UBS in Switzerland as opposed to in the U.S.

6 He was at a much, much bigger apex of essentially two
7 thirds of UBS, and he oversaw four trillion dollars in assets
8 of which the U.S. portion that is involved in the indictment is
9 approximately 200,000,000.

10 So we are talking about not a small club of brokers
11 and executives, but a massive organization at which he was in
12 charge of the entire thing.

13 The indictment that was issued came as a complete
14 surprise when it came out because Mr. Weil was at the time
15 working out, he had been working out terms of a voluntary
16 interview of him in Washington by the Department of Justice.

17 We had been told that he would be given safe passage
18 if he came to give an interview, but then when asked to accept
19 service of process on his behalf, I was asked to, if he came to
20 the U.S., and I had a discussion with the government about what
21 that meant, since I wanted to know what process they wanted to
22 serve on him.

23 I said, "If you have some process," which I assumed
24 would be a subpoena, "let me know and I will talk to him and
25 about it and get right back to you."

1 The prosecutor at the time was getting involved in
2 another major trial and didn't respond to calls for a long
3 time.

4 So the bottom line was we thought we were arranging
5 for a voluntary interview of the senior person in the banking
6 business for UBS that was relevant here, and instead an
7 indictment suddenly was issued.

8 It was a highly, highly unusual situation in a tax
9 case where someone would be indicted without any notice and
10 opportunity to have a pre-indictment conference with the tax
11 division.

12 He was living in Switzerland and working in
13 Switzerland at the time. He didn't run from the United States.

14 He never fled. He continued to live in Switzerland
15 and worked there. When he left UBS, which became necessary for
16 him very quickly, because they couldn't very well have an
17 indicted individual be the CEO of your biggest division, he
18 eventually got new employment in a private company and
19 continued to live and work under his own name and his own
20 apartment as he always had for the next 5 years.

21 He traveled around Europe on business for the company.
22 He took vacations in various places and stayed in hotels and
23 always traveled under his own name.

24 While the government said he had two passports, there
25 was a time when he had two passports, one of which he used

1 exclusively to travel to the Middle East, and others when he
2 used to travel elsewhere including Israel because of political
3 issues with traveling to Israel on the same passport or rather
4 to the Middle Eastern non-Israeli countries on a passport that
5 showed he had been in Israel.

6 That's the only time he had two passports, and he now
7 has only one. Both were in his own name. The same
8 information. The same birth date. So no effort to in any way
9 conceal or change or mislead his identity.

10 THE COURT: But during this time he and you were aware
11 that there was an arrest warrant for him? Is that what was
12 supposed to be served upon you was an arrest warrant or was it
13 a subpoena?

14 MR. MARCU: Well, I now know it was an indictment, but
15 I didn't know at the time. The only thing is I found out
16 after.

17 THE COURT: But at the time he is openly traveling
18 throughout other countries in Europe, was he aware of an
19 indictment and/or an arrest warrant?

20 MR. MARCU: An indictment, yes. We didn't know
21 specifically about an arrest warrant, and we didn't know
22 whether there would be any kind of a notice was given to
23 Interpol for, you know, international apprehension.

24 So for years he travel unencumbered and went to
25 different countries without an issue.

1 It was only in October when he was on vacation with
2 his wife in Italy that he was suddenly arrested.

3 He went to Boulogne Prison, and although I obtained
4 through counsel in Italy an order from the court permitting me
5 to have communications with him by phone, the Italian prison
6 just would not set up an arrangement.

7 So I traveled to Boulogne to meet with him, at which
8 point we had a communication, and I had been in communication
9 with the government quite promptly, and I think it was about
10 perhaps a month or less than 5 weeks, but about a month after
11 he was first arrested, but the first time that we talked I
12 communicated to the government that we were prepared to waive
13 extradition.

14 So I would like the court to appreciate that it was
15 the circumstances of his detention in Italy that prevented me
16 from communicating at an earlier time with him and, therefore,
17 him communicating through me to the government that he was
18 prepared to return to the U.S.

19 After we said that we were prepared for an extradition
20 and, indeed, executed a consent in Italy, which included
21 Switzerland, and Italy does not include Switzerland, the
22 consent includes a consent of extradition from Switzerland as
23 well, at that point we did again initiate a request for home
24 confinement which had been granted by the first judge that he
25 appeared before, and it was at that time that after

1 intervention by the Department of Justice the Appellate Court
2 reversed that decision.

3 So we had that one appeal, and after the extradition
4 process was well underway, we were cooperating with the U.S.
5 and the Italians to coordinate that in as expeditious a fashion
6 as possible, then we made another application for home
7 confinement, not knowing how long it would be.

8 So that was the extent of the litigation with respect
9 to home confinement, and we did consent to the use of
10 electronic monitoring so that his whereabouts would be known to
11 the Italian Government.

12 Now, we had proposed, and I should say to Your Honor
13 in the 5 years between the time he was indicted and the time he
14 was arrested, there was never a hearing or an arraignment set,
15 a date for a first appearance.

16 I was never asked to bring him to the United States.
17 There was no order that he come to the U.S. for arraignment.

18 He did not, indeed, come to the U.S. during those 5
19 years, but what he did was go about his life.

20 He didn't go to some exotic African country where he
21 set up a new life where he could avoid arrest. He didn't take
22 any steps to avoid detection or arrest.

23 He lived, as I say, in Switzerland and he traveled
24 around Europe and, indeed, other places on accommodation of
25 business and vacation without incident.

1 He wants to get this matter resolved. It has been
2 hanging over him for 5 years. He was the head of major banking
3 institution, and he has been charged with conspiring with
4 unknown taxpayers, who he has never met, to enable them to
5 evade their U.S. taxes.

6 He doesn't know these people. He has never met them,
7 and we don't, of course, have the discovery yet, so I don't
8 know any of the particulars, except to say that the suggestion
9 that there is a small cadre of tax evaders at UBS who were at
10 UBS who were conspiring here is a bit of an understatement
11 let's say not in the sense as a criminal aspect, but in the
12 sense that it was a vast business, and this was a very tiny
13 perhaps one percent of the business that Mr. Weil oversaw.

14 So in terms of the weight of the evidence, while I
15 can't address it directly, I can say that the only witnesses
16 that I am aware of are people who have a very, very distinct
17 motive to inculcate their superiors.

18 I have no reason to believe that any evidence the
19 government has to that effect is actually credible or would be
20 believed.

21 I can tell you that there was one proceeding that
22 examined his role and his potential involvement in this
23 conspiracy, and in that proceeding which was before the Swiss
24 Banking Commission, there was testimony taken and there were
25 presentations made, and the court found that the government's

1 principal witness was not credible and that Mr. Weil was not
2 involved and was not aware of any wrongdoing by any of these
3 underlings who were multiple levels below him in the structure
4 of the bank.

5 So I think that the weight of the evidence at the very
6 best, very best is equivocal, and so I would hope that the
7 court would take into account that we have not had any
8 opportunity to defend in the one proceeding where Mr. Weil was
9 vindicated.

10 In terms of the security for release, we have proposed
11 first home confinement. We have identified and recommended a
12 family, very close friends of the Weil family who have agreed
13 to take Mr. Weil as their guest.

14 We have given the particulars to the government and to
15 pretrial, but out of deference to their privacy I wouldn't want
16 to mention it on the record, but I am prepared to share all of
17 that information with the court.

18 THE COURT: They are here in South Florida?

19 MR. MARCU: No. They are in New Jersey, Your Honor.
20 They are a lovely couple. Very modest. They live in a small
21 home in central New Jersey.

22 The husband was, I prefer not to say more if the court
23 would permit.

24 THE COURT: Why don't you just answer I guess a
25 specific question. Is this where you anticipate that he would

1 be living if he were released?

2 MR. MARCU: Yes, Your Honor.

3 THE COURT: So you would be asking that he not even
4 stay in this district and that he go to New Jersey?

5 MR. MARCU: We will ask for permission for him to
6 travel between here and New Jersey. So this way he will be
7 close to me as well because I am based in New York.

8 THE COURT: Okay.

9 MR. MARCU: And I would be able to consult with him
10 more readily then if he is down here.

11 THE COURT: And this couple, you have shared their
12 information with the government. Are they U.S. citizens?

13 MR. MARCU: U.S. citizens.

14 THE COURT: Prior convictions?

15 MR. MARCU: No prior convictions. They have lived in
16 their own home for many, many years. They have, in fact, law
17 enforcement and military backgrounds within family, the husband
18 and one of the children.

19 Again, I would be happy to share the details with the
20 court if we could do that without compromising the identity of
21 the people which I have shared with the government.

22 So he would have electronic monitoring which the
23 electronics which are being installed today in the house in the
24 hopes that the court will be amenable to this arrangement.

25 The passport of Mr. Weil which right now is even

1 enroute from Boulogne. We had it sent to Boulogne so that he
2 could carry it with him here when he left the prison, and that
3 way we would be able to surrender it or at least hold it as the
4 Court directed, but, unfortunately, there was no notice that he
5 was being taken, and so it was left in the hands of his Italian
6 counsel.

7 They have told me this morning that it has been sent
8 here by courier. We should have it here in this district I
9 think tomorrow, and we are prepared to either hold it or
10 surrender it as Your Honor directs.

11 THE COURT: All right. The family that he would be
12 living with, have they been advised of the consequences? Well,
13 first of all, are they willing to co-sign on a bond?

14 MR. MARCU: They have been advised of the consequence.
15 May I take your questions in reverse order?

16 THE COURT: Sure.

17 MR. MARCU: They have been advised of the
18 consequences. I personally spent time with them so that they
19 understand what would be entailed.

20 They are very prepared to have Mr. Weil as their
21 guest. They have every confidence in him. We have not asked
22 them to co-sign a bond, and so that that question has not been
23 posed.

24 Mr. Weil and Mrs. Weil would co-sign the bonds, and
25 Mrs. Weil is here in the courtroom. She traveled here

1 yesterday from Switzerland to be here in court.

2 She is prepared to basically encumber two-thirds of
3 her assets in order to help secure her husband's bail.

4 Mr. Weil is prepared to offer essentially all of his
5 assets; all of his liquid assets in order to secure his bail
6 because they both are that confidant that he is going to appear
7 for court when required.

8 So that's in addition to the fact that without a
9 passport it is difficult to travel out of the United States,
10 and that he will be electronic monitored by Pretrial Services.
11 So there are already those two levels of security.

12 We have proposed an amount that totals about 4 and a half
13 million dollars, Your Honor. I am prepared today to use the,
14 attached to my escrow account that came from the sale of their
15 apartment to be posted with the Court to secure his PRB.

16 We are prepared to either pledge or deposit with the
17 court an amount of \$2,000,000 which is the balance of his
18 liquid assets, and we are prepared to arrange for the issuance
19 of a letter of credit by a reputable U.S. bank.

20 That would be secured by Mrs. Weil's assets. The
21 amount of the letter of credit we propose is \$2,000,000 in
22 addition, and that would be secured by \$4,000,000 worth of her
23 assets in Switzerland, and that as I say would be two-thirds of
24 her net worth.

25 So substantially all of their liquid assets, a

1 substantial portion of their liquid assets would be pledged,
2 and Your Honor I have a financial statement that we have
3 prepared for the court.

4 We have given it to the government and to Pretrial
5 Services. I am happy to review it with Your Honor to share the
6 particulars, but, in essence, a very, very substantial portion
7 of their net worth would be dedicated to guaranteeing that
8 Mr. Weil appeared for court.

9 I think under the circumstances, Your Honor, in a
10 case in which he has never run, he has never tried to hide, he
11 has traveled only under his own identity, and his only passport
12 would be surrendered to the court where we are providing assets
13 or cash that are a substantial portion of their assets and what
14 they would have available to them, and, Your Honor, we do need
15 to lose I am sorry to say some, I would ask that we be able to
16 leave some of these assets available for the payment of
17 expenses, including the cost of the defense here.

18 So there would be very little in the way of
19 disposable income, disposable assets left to fund a life on the
20 run, and the reason Mr. Weil is here today and not a couple of
21 years from now is because he wanted to put this behind him, and
22 the only way to do that is to waive extradition and appear in
23 this court as soon as possible and begin the process of
24 litigating this case.

25 THE COURT: Well, Mr. Daly, a couple of things.

1 Mr. Daly indicated that there is a problem with accepting a
2 letter of credit to secure a bond. Mr. Daly is that with a
3 bondsman or with the? Court.

4 MR. DALY: It would be with the court. Mr. Murad and
5 I consulted the Clerk's Office this morning and they said that
6 for bond they would only accept a cash or a money order; that
7 they would not accept a letter of credit.

8 THE COURT: Well, as long as I am talking to you
9 Mr. Daly, the people that he is going to be living with and
10 that they are proposing to live with, do you have their
11 information?

12 MR. DALY: We learned their names this weekend. We
13 haven't had a chance to investigate anything about them.

14 You know, the government would prefer that he be in
15 South Florida so he could be here near the court, but we do
16 understand that he may have representation outside.

17 Really the government was particularly focused on the
18 cash security, but, you know, we will start to investigate the
19 home confinement aspect today.

20 THE COURT: Mr. Daly, what you are asking for is a
21 corporate surety bond. It seems to me that what Mr. Marcu is
22 proposing is some structured cash bond or a 10 percent bond, or
23 something of that nature. Are you comfortable with that, or do
24 you want a bondsman?

25 MR. DALY: I am sorry. Pardon me. Have we come to

1 the PRD with some form of security?

2 THE COURT: No, and maybe you are not from here. I
3 don't know if they do it the same in every district. I don't
4 think they do, but a corporate surety bond here, anyway,
5 requires that a bondsman be engaged; that property be pledged
6 and that a 15 percent nonrefundable premium be paid.

7 The court, I assume that since you said you inquired
8 of the Clerk's Office about what they would accept, that you
9 also were talking about a 10 percent bond which is in this
10 district what we call it, it would be a large amount, but 10
11 percent would be posted with the Clerk of the Court.

12 So are you comfortable with some combination of a
13 personal surety bond co-signed by the people he is going to
14 stay with and a large 10 percent bond with assets posted with
15 the court, but he would get it back as long as he complied with
16 all of his conditions, or did you want a corporate surety bond?

17 MR. DALY: If you don't mind, Your Honor, if I might
18 just consult with counsel.

19 THE COURT: All right.

20 MR. DALY: Your Honor, we have two issues. First, I
21 don't think the government is as comfortable with the personal
22 recognizance bond. If he is left with \$7,000,000 in assets,
23 the government does believe that that is an incentive to flee.

24 THE COURT: No, no. Don't misunderstand me. I think
25 if I am going to set any bond at all, I think I would like the

1 people, and I am not used to doing this with any kind of
2 secrecy, the people, I will honor your request to keep their
3 address, or whatever, but we need to know who they are.

4 I would want them co-signing on a personal surety bond
5 so they have got some stake in this as well.

6 In addition to that, I would be willing to set either
7 a corporate surety bond or a 10 percent bond or a combination
8 that would require a substantial amount of his assets and his
9 wife's assets, you know, encumbered.

10 So I am not talking about just a straight personal
11 surety bond. I want someone in the United States with some
12 skin in the game, and you are going to have talk to those
13 people and see if they are willing to do it.

14 A personal surety bond, again, the nomenclature is
15 different in different courts, but a personal surety bond would
16 require them to co-sign.

17 Mr. Weil, if you took off and left them holding the
18 bag, they would be sued for a large amount of money by the
19 government. So that is somebody who we know who lives here,
20 who has some ties here because you have no ties here.

21 So that would be, you know, what I am anticipating
22 here is a combination bond where the people that you are living
23 with have a stake in keeping you here and not assisting you in
24 fleeing, but I generally don't have a great interest in making
25 bondsmen rich.

1 So if we set a \$9,000,000 corporate surety bond, then
2 it is going to be a very merry Christmas for a bondsman, but my
3 concern generally is if there are assets, that those assets be
4 put up, be held securely.

5 I would rather that it be with the court than with a
6 bondsman, and then the 10 percent insures that if he were to
7 flee, he could be sued for much more.

8 So that's why I am asking you, and I am open to a
9 combination where, I mean if he is going to be released I don't
10 want to do it with a \$9,000,000 corporate bond.

11 I think it is reasonable to ask for a part of that to
12 be a corporate bond, but part of it to be a 10 percent bond.

13 Like I said, I would never release him on just a
14 signature, but having people here in the United States
15 responsible for his appearance I think can be very powerful as
16 well.

17 MR. DALY: Your Honor, quite frankly, we don't know
18 enough about the family to know if that is worth, to see if
19 their guarantee is worth anything.

20 Quite frankly, from what we have been told, they are a
21 fairly elderly couple. The defendant could agree to have them
22 sign on and then repay them once he gets back to Switzerland.

23 It is without knowing more about who they are. It is
24 very difficult for the government to agree to such an
25 arrangement.

1 THE COURT: Address one more thing for me because I am
2 not comfortable with it.

3 Let me ask you, Mr. Marcu, the waiver of extradition
4 that was signed purporting to waive extradition from
5 Switzerland, you said that it would be enforceable in
6 Switzerland. I think the government said they were not so
7 sure. Why don't you tell me about that.

8 MR. MARCU: My understanding is, Your Honor, that a
9 Swiss national is permitted to waive the protection of the
10 Swiss Constitution which prevents, ordinary prevents the
11 extradition of Swiss nationals, and what Mr. Weil has done is
12 before a court in Italy he has signed a voluntary waiver that
13 covers extradition both from Italy and from Switzerland, so
14 that there is no question that if he is returned to Switzerland
15 there will be a waiver that we would, I tell you today it is
16 binding and we would take the position with regard as to an
17 academic point because he is not going back to Switzerland or
18 anywhere else, but the point was to make it clear to the Swiss
19 Government in advance that Mr. Weil is waiving any protections
20 under the Swiss Constitution so that he could be extradited if
21 he were to flee back to Switzerland.

22 If I could, Your Honor, this is a man who has no
23 record. He has never had an arrest. He has served in the
24 military in Switzerland.

25 He worked for the same bank for 25 years. He was one

1 of the senior executives of a massive institution, and he is
2 charged with aiding and abetting the alleged activities of
3 people who were far below him in the corporate structure.

4 There is very little reference to him in the
5 indictment. The indictment itself, which was issued without
6 notice and very precipitously while the U.S. was fighting with
7 both the Swiss and with UBS over whether UBS and the Swiss
8 Government were going to abandon began secrecy in Switzerland,
9 which they now have done as a result of the case and as a
10 result of the indictment of Mr. Weil.

11 It sent a very strong message to the Swiss Government
12 and UBS which led to that settlement, and he didn't run even
13 then because he wasn't in the United States, and he had never
14 taken any steps to conceal his identity, to change his identity
15 or to conceal his whereabouts.

16 So I just want to impress upon the court the risk of
17 flight here is totally theoretical, and we would be countering
18 that risk with the surrender of the passport, the home
19 confinement, the electronic monitoring, a huge amount, a huge
20 percentage of their assets which would make it virtually
21 impossible for him to flee, even if he chose to and maintain
22 any kind of life thereafter; a waiver of extradition from
23 Switzerland and Italy so that he cannot go back to his own home
24 or where his parents are.

25 I just think that the risk that is presented is so

1 theoretical that given all of those protections that we offer,
2 that it is over-balanced. It is overborne by those
3 protections.

4 I suggest to the court that that would provide a
5 reasonable assurance that he will appear in court. We are
6 happy to have the usual kinds of restrictions on his ability to
7 travel so that he will be limited to various kinds of
8 activities that would include consulting with his counsel.

9 He has no ties in Florida. That is true. These
10 friends in New Jersey are very good friends. They have been
11 good enough to offer to have him in their home for as long as
12 is necessary.

13 It would be a substantial additional imposition and
14 request to ask them to co-sign a bond, but I appreciate the
15 what the court has had to say about that.

16 I would ask that perhaps that be reconsidered, but to
17 Your Honor's point about the alternative, rather than looking
18 to a corporate surety bond which would cost Mr. Weil, if it is
19 in an amount that the government has been proposing, would be
20 approximately one and a half million dollars which I think
21 would be extraordinarily punitive and really not necessary
22 under the circumstances, but what we have proposed is an amount
23 in a form that would completely encumber two-thirds of their
24 assets.

25 It would leave them with some liquid assets that would

1 enable them to pay expenses and for the defense of what might
2 be a very, very long and contested criminal case, but it would
3 provide the court with a reasonable assurance that he will
4 appear.

5 If the letter of credit which we have used in other
6 cases, and I can hand up an example to Your Honor, if it is
7 helpful, to secure the presence of an individual has been
8 acceptable to courts in other parts of the country.

9 We are happy to discuss that with the Clerk's Office
10 here and help them understand what the mechanics are because it
11 is a very readily convertible guarantee into cash, in the event
12 that the court holds that Mr. Weil has violated the terms of
13 his release or fled.

14 It would be irrevocable. It would be a promise that a
15 reputable major U.S. bank would be paying on that letter of
16 credit in the event that the court finds that Mr. Weil has
17 absconded or otherwise violated his bail conditions.

18 THE COURT: You have done that in other courts as a
19 cash bond or as security for a corporate bond, or how does it
20 work?

21 MR. MARCU: As a security for a PRB, Your Honor. For
22 an appearance bond. I am sorry if I have the terminology
23 wrong, but we call it in New York a PRB or a personal
24 recognizance bond, but it is your 10 percent bond that you
25 sign.

1 You either don't or you do put down some security. In
2 cases where that we have been involved in or know about, what
3 has been offered to secure that 10 percent or to present that
4 10 percent is a letter of credit from a major bank.

5 THE COURT: One more question for you, Mr. Daly.

6 The docket sheet indicates that this was unsealed back
7 in 2008 and was transferred to fugitive status which doesn't
8 always mean that someone is actually a fugitive.

9 Do you have any reason to believe that in the
10 intervening years between late 2008 and his arrest in Italy
11 that he was actively fleeing or trying to avoid prosecution?

12 MR. DALY: Your Honor, to one extent Mr. Weil never
13 returned to the United States. We had numerous meetings with
14 his counsel in which they proposed alternatives to criminal
15 prosecution.

16 So the defendant was fully aware that the charges were
17 pending against him. The government does not know the extent
18 to which he traveled within Europe, but just as a brief point,
19 that is within what is called the Schengen Visa area which
20 means there are no border checks within that area, so the
21 chance of being detected is effectively zero if there is an
22 outstanding Interpol red warrant.

23 Mr. Weil got caught because Italy changed its rules
24 and they started requiring hotels to provide their guest
25 registers to the police every night with their passports, and

1 so it is only because the Italian police ran his passport
2 against outstanding warrants that he was caught.

3 So the fact that this claim that Mr. Weil was
4 traveling openly is a little bit, it has to be taken with a
5 grain of salt. I think Mr. Weil felt a sense of security
6 knowing that he wouldn't be detected in traveling.

7 MR. MARCU: Your Honor, to the contrary. Mr. Weil
8 traveled multiple, maybe, you know, 30, 40 times into other
9 countries and stayed in hotels on many occasions; hotels in
10 Germany, in Italy, in other places where there often are
11 similar rules, and we would have had no way of knowing one way
12 or the other whether the hotels were given their guest lists to
13 the authorities, but even in Italy when Mr. Daly says that the
14 only reason he was caught was because the Italians looked at
15 the guest register or it was reported to the Italian
16 authorities, it was because he gave his own identification
17 documents to the Italian hotel that they knew that he was
18 there.

19 So just to be clear, there has never been, I don't
20 believe there is, and I am confident there is no evidence,
21 because it never happened, that Mr. Weil took any steps to
22 evade detection to avoid capture, to conceal his identity.

23 The only thing he didn't do was come to the United
24 States which we would stipulate he did not do.

25 THE COURT: Okay.

1 MR. MARCU: And I would say to the court that that
2 kind of behavior is not being a fugitive when you haven't run
3 and you haven't flouted process.

4 There was never an order or an appearance date for him
5 to appear here. He simply went about his business staying in
6 his own country or in Europe and elsewhere on business
7 traveling, as I say, under his own identity.

8 THE COURT: Okay. Mr. Daly, are you saying that there
9 was an Interpol red notice, but it is not enforced within the
10 European Union?

11 MR. DALY: Most European countries, first of all, they
12 have to know that you are there, and if there is no border
13 check where they scan your passport, they are not going to
14 know.

15 The only way the Italians picked it up was by checking
16 the guest register.

17 THE COURT: Okay.

18 MR. DALY: Your Honor, if I may also just make one
19 comment. Even if bond is granted, there currently is an
20 Immigration detainer on Mr. Weil. I just wanted to make the
21 court aware of that.

22 THE COURT: Well, tell me about that. Is that going
23 to prevent him from being released and why is there an
24 Immigration detainer on him?

25 MR. DALY: Possibly. Here I have to plead ignorance,

1 as part of the tax division.

2 THE COURT: I see you have an immigration expert right
3 behind you.

4 MR. MANDEL: We just heard about this.

5 MR. MARCU: This is complete news, Your Honor.

6 MR. DALY: it IS Possible because he has liquid assets
7 that they may release him, but we have noticed today that when
8 he was brought in through Customs, that they placed an
9 immigration detainer on him.

10 THE COURT: All right. Here is what I want to do:

11 Mr. Daly, you are not asking for detention, so I am
12 not going to detain him. There is obviously limited ties here.
13 There is a lot of money and an ability to flee.

14 On the other hand, he waived extradition, and since he
15 is capped at 5 years, he is looking at jail time, but not
16 overwhelming jail time.

17 I will not any comment about the strength of the
18 evidence. So it seems that the government is willing to agree
19 to some type of bond as opposed to detention.

20 What I would be inclined to do, and it sounds like he
21 is not going to be released today no matter what I do here
22 today, if there is an immigration hold, Mr. Daly, when I talked
23 to both of you, when I talked about, you know, wanting some
24 assurances from the family he is going to staying with, I
25 realize that is an imposition, but that is a good thing in my

1 view.

2 I mean, I think that I am going to require that but,
3 Mr. Daly, that is not in place of any financial bond. So what
4 I am inclined to do is require the people that he is living
5 with to co-sign onto a personal surety bond which would not
6 require them to put any money up, but if Mr. Weil flees, they
7 are on the hook for a significant amount of money, and then
8 some combination of a corporate surety bond and a 10 percent
9 bond or cash bond here in this district.

10 What I would like to do, it seems to me or what it
11 sounds to me, Mr. Daly, like you are not asking for me to hold
12 him in custody. You just want some significant assurances.

13 If that is the kind of bond that I am prepared to do I
14 would give you time to make sure that these people in New
15 Jersey are legitimate people who are going to be and for you,
16 Mr. Marcu, to make sure that they would be willing to co-sign.

17 What I want to do is pass this case over just for a
18 few minutes and let the lawyers talk about it and see if you
19 can come to a proposal for me to release him on a combination
20 if need be of a corporate surety bond, a secured 10 percent
21 bond and a personal surety bond co-signed by the people in New
22 Jersey.

23 Immigration is something that I can't do anything
24 about, but it seems kind of strange that the Immigration
25 authorities would hold him when he was brought here on an

1 extradition, so that may be an additional bond that you are
2 going to have to post, but if you cannot come to an agreement,
3 then I will set a bond, but within those parameters why don't
4 you take a few minutes and see if you can give me a proposal
5 that we can all agree on.

6 MR. DALY: Thank you, Your Honor.

7 MR. MARCU: Thank you, Your Honor. Can I ask for one
8 clarification?

9 THE COURT: Yes.

10 MR. MARCU: I trust that in place of a corporate
11 surety bond which would be very expensive, and there is no
12 recovery, even if there is an acquittal for the allotment of
13 the fee, that we could post cash with the court in place of
14 that component.

15 THE COURT: Well, talk to the government about that
16 because the additional benefit to both the court and the
17 government to have a corporate surety bond is that there is a
18 bondsman who would go out looking for him instead of just the
19 U.S. Marshals. So take a minute and talk about it and see if
20 you can reach agreement.

21 MR. MARCU: I have seen that T.V. show.

22 THE COURT: All right. Let's pass this over for now.

23 MR. MARCU: Thank you, Your Honor.

24 MR. DALY: Thank you.

25 THE COURT: All right.

1 [There was a short recess].

2 THE COURT: Mr. Daly.

3 MR. MARCU: Excuse me, Your Honor. Your Honor, may I
4 have just one moment, please, before we begin?

5 THE COURT: Sure. How are we doing? Do we have an
6 agreement?

7 MR. MARCU: I believe we do, Your Honor. It will be
8 subject to confirming the co-signing of the bond by the
9 third-party that we talked about. I believe what we agreed to,
10 do you want to state it?

11 MR. DALY: Sure. Your Honor, the terms that we have
12 proposed to the defendant which I believe he has accepted is
13 that the defendant would deposit with the court \$4,000,000 in
14 cash.

15 THE COURT: Okay.

16 MR. DALY: That the defendant would secure an
17 additional corporate surety in the amount of \$1,000,000.

18 Now, the \$4,000,000 in cash would secure a personal
19 recognizance bond. The government would request it in the
20 amount of 9,000,000.

21 There would be a second bond security by the family in
22 the amount of, at this point we don't quite know their
23 financial situation.

24 MR. MARCU: Anything that has 6 figures in it would be
25 far more than their net worth, I would suspect.

1 MR. DALY: Tentatively actively we would ask for half
2 a million dollars.

3 THE COURT: That's co-signed by the couple in New
4 Jersey?

5 MR. DALY: That's correct, Your Honor.

6 THE COURT: And is HIS wife co-signing anything?

7 MR. DALY: I believe we would ask that she co-sign a
8 personal recognizance bond secured by 4,000,000 in cash.

9 MR. MARCU: That would be acceptable, Your Honor.

10 THE COURT: Okay. When you say \$4,000,000 in cash
11 secured, is that pledged or is that deposited with the registry
12 of the court?

13 MR. DALY: That is deposited.

14 THE COURT: And that's acceptable to the defense?

15 MR. MARCU: Yes, Your Honor.

16 THE COURT: Debbie, how do we do that? So that what
17 you are proposing is a \$9,000,000 bond security by \$4,000,000
18 in cash?

19 MR. DALY: Correct.

20 THE COURT: And then a one million dollar corporate
21 surety bond and a \$500,000 personal bond co-signed by the two
22 in New Jersey?

23 MR. DALY: New Jersey.

24 THE CLERK: The 4,000,000 cash has to be, it would
25 have to be 10 percent of 480

1 THE COURT: I don't think it does. I think that a
2 percentage bond, although we normally do a 10 percent bond, I
3 don't think it has to be a 10 percent bond.

4 This would be a little bit unusual, but I think we can
5 do \$9,000,000. Is that 45 percent?

6 THE CLERK: It is the way the computer is set up. I
7 will have to check when I go back.

8 THE COURT: All right. I have no problem with that in
9 principle. So let's work on how we actually do that.

10 All right. So based upon the agreement of the parties
11 and also based upon my review of the charges and the Pretrial
12 Services report and the hearing that we have had here today, I
13 am going to set \$1,000,000 corporate surety bond, a \$500,000
14 personal surety bond to be co-signed by the two people in New
15 Jersey where he will be living, and you will give the names and
16 address to my courtroom deputy.

17 If you do not want that to be said in open court, that
18 is fine, but it needs to be provided to my courtroom deputy.

19 We will figure out how to do the bond that you are
20 proposing. As far as the \$9,000,000 secured by 4,000,000, I
21 know I have done percentage bonds before that were not 10
22 percent, and if that can be accomplished to make it 5 percent
23 or 15 percent or 20 percent, I am sure it can be done in this
24 manner. So I will set a \$9,000,000 bond secured by \$4,000,000
25 in cash.

1 Mr. Weil, that's money that will be deposited into the
2 registry of the court. As long as you comply with all of your
3 bond conditions you will get that back with interest at the end
4 of the case.

5 So that's not money that is going to be lost to you as
6 long as you comply with your conditions.

7 He will be residing with the two people in New Jersey,
8 so I will extend travel between the Southern District of
9 Florida and the district, is it one district in New Jersey?

10 MR. MARCU: One district, your Honor, but I would
11 request the Southern District of New York as well so that he
12 can travel to my office.

13 THE COURT: Okay. Travel will be extended to the
14 Southern District of Florida, the Southern District of New York
15 and the District of New Jersey.

16 I am going to put you on house arrest monitored by a
17 GPS system which would be more monitoring than normal.
18 Electronic monitoring instead of just letting people know when
19 you left the house, that will let people know where you are.

20 So I am going to order GPS monitoring. You are to
21 surrender any passports immediately upon receipt. That will be
22 coming to you, counsel?

23 MR. MARCU: To Mr. Mandel, yes, Your Honor.

24 THE COURT: Okay. Surrender those passports to
25 Pretrial Services. I am going to direct that you report to

1 Pretrial Services in New Jersey as they direct.

2 I will leave it up to them how often. They will have
3 advance permission from the court to allow you to leave for
4 court appearances, for attorney visits and also for any
5 necessary medical or religious purposes.

6 What I mean by that is you still have to ask them, but
7 they do not have to ask me. If it is anything else, any other
8 travel or leaving the home, basically, they will have to check
9 with the court first, but I will give them advance permission
10 to allow you to leave for court appearances, attorney office
11 visits, medical and religious.

12 There does not appear to any need for urine testing.
13 Under the circumstances I am not going to impose an employment
14 requirement.

15 Mr. Weil, you are not to have any contact with any
16 victims or witnesses of this crime, except through your
17 attorney.

18 Mr. Daly, does that cover it?

19 MR. DALY: I believe it does, Your Honor.

20 THE COURT: All right. Anything else? Any other
21 conditions, Mr. Marcu?

22 MR. MARCU: No, Your Honor, not at this time. Thank
23 you.

24 THE COURT: All right. We are going to just have to
25 work with the Clerk's Office to make sure that this is done

1 correctly, but I am pretty confident that it can be.

2 I don't see why it cannot, and so we will set the bond
3 as just discussed. We will see everybody back here on the 8th.
4 Is that what we set?

5 THE CLERK: Judge, it is actually going to be the 7th.
6 I was looking at this year's calendar. It is Tuesday, January
7 7th before Judge Valle.

8 THE COURT: All right. We will see everybody back
9 here Tuesday, the 7th in front of Judge Valle at 11:00 a.m.
10 That will be for inquiry re: counsel and if permanent counsel
11 arrangements have been made and also for arraignment.

12 MR. DALY: Your Honor, if I may interrupt for just one
13 second. I am not sure whether on the bond if you required the
14 defendant's spouse to sign on as well?

15 THE COURT: Yes. I want her signing on the \$9,000,000
16 bond that will be secured by the \$4,000,000 cash.

17 MR. DALY: Thank you, Your Honor.

18 THE COURT: All right. Does that cover everything for
19 everyone?

20 MR. MARCU: Yes, Your Honor. Thank you.

21 THE COURT: All right. That will be the bond and then
22 we will see everybody back on the 7th, and Debbie is going to
23 figure out how to get this done in the Clerk's Office.

24 All right. Thank you for working together and
25 resolving it. Court is adjourned.

1 The defendant will not be released until all of the
2 conditions are met.

3 THE CLERK: All rise. Court is in recess.

4 (Whereupon the proceedings were concluded)
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C E R T I F I C A T E

I hereby certify that the foregoing is an accurate
transcription of proceedings in the above-entitled matter.

DECEMBER 19, 2013

S/JERALD M. MEYERS

DATE

JERALD M. MEYERS, RPR